

SENATE HIGHWAYS AND TRANSPORTATION	
EXHIBIT NO.	4
DATE:	1/23/09
BILL NO.	SB239

## Constituency accounts: Plans coming forward to ban or o

By MATT GOURAS, Associated Press Writer - 02/06/07

HELENA — The unregulated “constituency accounts” that allow ele money any way they want are the target of a few different proposals t would ban them altogether.

Sen. Roy Brown, R-Billings, said lawmakers need to get rid of the acc that would force current accounts to be closed. He said it makes more write laws to regulate them.

“If we keep trying to do something with these accounts and nibble around the edges, and do what we do here, there will continue to be problems with it,” he said.

Currently, there are no state laws that deal with the constituency accounts — and there are no oversight or disclosure requirements.

The accounts began years ago as a place for elected officials to put excess campaign donations, with the idea that the money could generally be used for constituency services. Over the years, with almost no oversight, they have turned into a fund that elected leaders can use for almost any purpose.

If approved, Brown’s bill, proposed Monday to the Senate State Administration Committee, would provide the first mention of the accounts in state law.

The constituency accounts are an oddity in campaign finance regulation, and Montana is one of the few places that allow elected officials to collect and use money in such a way.

Two other ideas for the accounts are scheduled to come up later this week, one from Senate Majority Leader Carol Williams, D-Missoula, and another from Rep. Diane Sands, D-Missoula. At least one other is in the works but has yet to be scheduled.

Those bills would monitor the accounts like campaign donations. Donations from corporations would be banned.

Williams said disclosure of donations and expenditures would give public assurances they are not being abused.

“I think the transparency issue is something that is very important to everybody,” she said. “I don’t believe it has ever been abused. I think what is out there is the perception that it might have been abused.”

Williams said regulated accounts would allow lawmakers to travel and provide information to constituents. She said it is important that legislators who don’t have much personal money get reimbursed for such work.

One proposal for the accounts already has been tabled this session. Rep. Mike Jopek, D-Whitefish, had a proposal to regulate the accounts and impose more restrictions on lobbying. Critics said the sweeping proposal tried to tackle too many areas at once.

## **Constituency accounts: Plans coming forward to ban or oversee unregulated coffers**

*By MATT GOURAS, Associated Press Writer - 02/06/07*

HELENA — The unregulated “constituency accounts” that allow elected officials to solicit and spend money any way they want are the target of a few different proposals this week — including one that would ban them altogether.

Sen. Roy Brown, R-Billings, said lawmakers need to get rid of the accounts and has offered legislation that would force current accounts to be closed. He said it makes more sense to abolish them than to write laws to regulate them.

“If we keep trying to do something with these accounts and nibble around the edges, and do what we do here, there will continue to be problems with it,” he said.

Currently, there are no state laws that deal with the constituency accounts — and there are no oversight or disclosure requirements.

The accounts began years ago as a place for elected officials to put excess campaign donations, with the idea that the money could generally be used for constituency services. Over the years, with almost no oversight, they have turned into a fund that elected leaders can use for almost any purpose.

If approved, Brown’s bill, proposed Monday to the Senate State Administration Committee, would provide the first mention of the accounts in state law.

The constituency accounts are an oddity in campaign finance regulation, and Montana is one of the few places that allow elected officials to collect and use money in such a way.

Two other ideas for the accounts are scheduled to come up later this week, one from Senate Majority Leader Carol Williams, D-Missoula, and another from Rep. Diane Sands, D-Missoula. At least one other is in the works but has yet to be scheduled.

Those bills would monitor the accounts like campaign donations. Donations from corporations would be banned.

Williams said disclosure of donations and expenditures would give public assurances they are not being abused.

“I think the transparency issue is something that is very important to everybody,” she said. “I don’t believe it has ever been abused. I think what is out there is the perception that it might have been abused.”

Williams said regulated accounts would allow lawmakers to travel and provide information to constituents. She said it is important that legislators who don’t have much personal money get reimbursed for such work.

One proposal for the accounts already has been tabled this session. Rep. Mike Jopek, D-Whitefish, had a proposal to regulate the accounts and impose more restrictions on lobbying. Critics said the sweeping proposal tried to tackle too many areas at once.

Gov. Brian Schweitzer and Attorney General Mike McGrath both have said something needs to be done with constituency accounts, and a presession survey of lawmakers by The Associated Press showed most agreed the accounts need to be addressed.

Officials say they have largely used money in the accounts on constituent services, travel for some events, Christmas cards and other expenses.

Brown's bill is Senate Bill 310. Williams' bill is Senate Bill 91. Sands' bill is House Bill 462. Jopek's proposal is House Bill 202.